

14421 County Rd. 10 • Ft. Lupton, Colorado 80621 • (303) 857-9999 • FAX (303) 857-0577 • E-MAIL Permitco 1@aol.com

February 27, 2006

Division of Oil, Gas & Mining 1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, UT 84114-5801

Re:

Gasco Production Company
Wilkin Ridge Federal #32-17-10-17

1978' FNL and 1972' FEL SW NE Section 17, T10S - R17E

Uintah County, Utah Lease No. UTU-75082

Gentlemen:

Enclosed please find two copies of the Application for Permit to Drill, along with one copy of the Onshore Order No. 1 which was filed with the BLM in Vernal, Utah.

If you should need additional information, please don't hesitate to contact me. Approved copies of the A.P.D. should be sent to Permitco Inc. at the address shown above.

Sincerely,

PERMITCO INC. Venessa Hangmacher

Venessa Langmacher Consultant for

Gasco Production Company

RECEIVED

MAR 0 1 2006

Enc.

DIV. OF OIL, GAS & MINING

cc: Gasco Production Company - Englewood, CO Shawn Elworthy - Roosevelt, UT

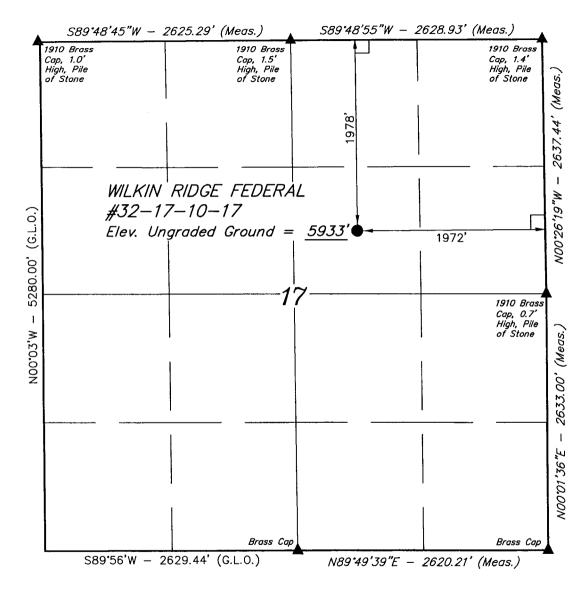
STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

AMENDED REPORT	
(highlight changes)	

<u> </u>	APPLICATION FOR	UTU-75082	BLM			
1A. TYPE OF WOR	RK: DRILL 🛣 REENTER 🗆	7. IF INDIAN, ALLOTTEE OF	R TRIBE NAME:			
	OU ET CAR EN OTHER	N/A 8. UNIT OF CA AGREEMENT	NAME:			
B. TYPE OF WEL	L: OIL GAS 🛣 OTHER	Silvi	GLE ZONE 📉 MULTIPLE ZONI	Wilkin Ridge		
2. NAME OF OPER	RATOR:			9. WELL NAME and NUMBE		
	oduction Company		PHONE NUMBER:	Wilkin Ridge Fed	eral #32-17-10-17	
3. ADDRESS OF C		I	_			
4. LOCATION OF	ss Drive East, Suite #100, Englewoo			11. QTR/QTR, SECTION, TO MERIDIAN:	19ht Mueflet DWNSHIP, RANGE	
AT SURFACE:	ンとろ/ 1978' FNL a	04 乂 and 1972' FE	L 39.945746	Sec. 17, T10S-R1	7E	
		4219-19		, \ "		
			1			
	MILES AND DIRECTION FROM NEAREST TOWN OR			12. COUNTY:	13. STATE:	
Approxi	mately 23.4 miles southeast of Myt NEAREST PROPERTY OR LEASE LINE (FEET)	on, UT.	ER OF ACRES IN LEASE:	Duchesne 17. NUMBER OF ACRES ASSIGNED	UTAH TO THIS WELL:	
15. DISTANCE TO	1972'	10. 7.5	1276.52	40 Acres: S		
	NEAREST WELL (DRILLING, COMPLETED, OR	19. PROPO	OSED DEPTH:	20. BOND DESCRIPTION:		
APPLIED FOR) ON THIS LEASE (FEET): 2700'		13,400'	Bond No. U	T-1233	
21. ELEVATIONS	(SHOW WHETHER DF, RT, GR, ETC.):	22. APPRO	OXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION:		
	5933' GL		ASAP	35 Day	<u>'</u> \$	
24.	PROP	OSED CASIN	NG AND CEMENTING PRO	GRAM		
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
17-1/2"	13-3/8", H-40, 48#	200'		ium Type 5, 15.6 ppg, 1.18		
12-1/4"	8-5/8", J-55, 32#	3,645'	615 sx Hi-Lift, 11 ppg, 3.9			
7-7/8"	4-1/2", P-110, 13.5#	13,400'	523 SX HI-LIπ, 11.5 ppg, 3.0	95 yield & 1429 sx 50/50 Poz	, 14.1 ppg, 1.20 yieiu	
				The state of the s	¥	
						
05		A	ATTACHMENTS			
25.	LOWING ARE ATTACHED IN ACCORDANCE WITH T			S:		
			1			
	AT OR MAP PREPARED BY LICENSED SURVEYOR C		COMPLETE DRILLING P		IANITHE I CASE OWNER	
EVIDENC	CE OF DIVISION OF WATER RIGHTS APPROVAL FOR	USE OF WATER	FORM 5, IF OPERATOR	IS PERSON OR COMPANY OTHER TH	AN THE LEASE OWNER	
AGENT: P	ermitCo Inc.			AGENT'S PHONE NO	o.: 303-857-9999	
	Venessa Landmacher		TITLE Age	ent for Gasco Production	Company	
NAME (PLEASE	A C M A A A A A A A A A A A A A A A A A	1101	Fal			
SIGNATURE	verence garma	cne	DATE FED	oruary 27, 2006		
(This space for Sta	ate use only)			RECEIVED		
API NUMBER ASS	GIGNED: 43-013-33079	v the	APPROVAL:	MAR 0 1 2006		
	* Approved b	y in o	DIV	V. OF OIL, GAS & MINING		
(11/2001)	Oh. Gas a 10	of mend	(See instructions on Reverse Side)	·		
(11/2001)	63-63	-74r.		and of this		
	Date	01777	Federal Appr Action is Net	Cessary		
	By:	1	Action is No.			
		70				

T10S, R17E, S.L.B.&M.



LEGEND:

__ = 90° SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)
LATITUDE = 39°56'44.58" (39.945717)
LONGITUDE = 110°01'40.48" (110.027911)
(AUTONOMOUS NAD 27)

LATITUDE = 39°56'44.71" (39.945753) LONGITUDE = 110°01'37.94" (110.027206)

GASCO PRODUCTION COMPANY

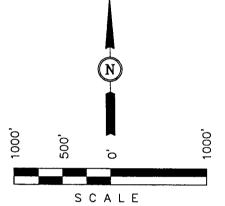
Well location, WILKIN RIDGE FEDERAL #32-17-10-17, located as shown in the SW 1/4 NE 1/4 of Section 17, T10S, R17E, S.L.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION IN THE SW 1/4 OF SECTION 20, T10S, R17E, S.L.B.&M. TAKEN FROM THE WILKIN RIDGE QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6275 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS, A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO TO BEST OF MY KNOWLEDGE AND BELIEF

REGISTERED LAND SURVEYOR REGISTRATION NO. 161319 STATE OF UTAH

Untah Engineering & Land Surveying 85 SOUTH 200 EAST - VERNAL STAH 84078 (801) 789-1012

(0)	01) 109-101%
SCALE 1" = 1000'	DATE SURVEYED: DATE DRAWN: 09-19-05 09-28-05
PARTY	FILE
J.W. C.W. L.K.	G.L.O. PLAT
WEATHER	REFERENCES
WARM	GASCO PRODUCTION COMPANY

CONFIDENTIAL - TIGHT HOLE

ONSHORE OIL & GAS ORDER NO. 1

Approval of Operations on Onshore Federal and Indian Oil & Gas Leases

Wilkin Ridge Federal #32-17-10-17 1978' FNL and 1972' FEL SW NE Section 17, T10S - R17E Duchesne County, Utah

Prepared For:

Gasco Production Company

By:

PERMITCO INC. 14421 County Road 10 Ft. Lupton, Colorado 80621 303/857-9999 CONFIDENTIAL TORTHOLE

Copies Sent To:

- 3 Bureau of Land Management Vernal, UT
- 1 Utah Division of Oil, Gas & Mining SLC, UT
- 2 Gasco Production Company Englewood, CO
- 1 Shawn Elworthy Roosevelt, UT



APPLICATION FOR PERMIT TO DRIL ... OR REENTER

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1.	Well plat certified by a registered surveyor. Attached.
2.	A Drilling Plan Attached.
3.	A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the Appropriate Forest Service Office. See Surface Use Plan Attached.
4.	Bond to cover the operations unless covered by an existing bond on file (see Item 20). Bond coverage for this well is provided by Gasco Production Company under their BLM Bond No. Bond No. UT-1233.
5.	Operator certification. Please be advised that Gasco Production Company is considered to be the operator of the above mentioned well. Gasco Production Company agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.
6.	Such other site specific information and/or plans as may be required by the authorized officer.

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DRILLING PROGRAM

Page 1

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS

Formation	Depth	Subsea
Wasatch	5,270'	675'
Mesaverde	9,505'	-3,560'
Castlegate	12,085'	-6,140'
Blackhawk	12,355'	-6,410'
Aberdeen	13,115'	-7,170'
T.D.	13,400'	-7,455'

2. <u>ESTIMATED DEPTH OF ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS:</u>

Substance	Formation	Depth
Gas	Wasatch	5,400' - 9,505'
Gas	Mesaverde	9,505' - 12,085'
Gas	Blackhawk	12,355' - 13,300'

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.



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DRILLING PROGRAM

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3. PRESSURE CONTROL EQUIPMENT

Gasco Production Company's minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double with annular, 5000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.



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DRILLING PROGRAM

Page 3

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 11", 5000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is <u>not</u> to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit <u>all</u> tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. PROPOSED CASING AND CEMENTING PROGRAM:

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.
- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).

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DRILLING PROGRAM
Page 4

- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- I. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.



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DRILLING PROGRAM

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m. The proposed casing program will be as follows:

Purpose	Depth	Hole Size	O.D.	Weight	Grade	Туре	New/Used
Conductor	0-200'	17-1/2"	13-3/8"	48#	H-40		New
Surface	0-3,645'	12-1/4"	8-5/8"	32#	J-55	ST&C	New
Production	0-13,400'	7-7/8"	4-1/2"	13.5#	P-110	LT&C	New

- n. Casing design subject to revision based on geologic conditions encountered.
- o. The cement program will be as follows:

Conductor	Type and Amount
TOC @ Surface	200 sx Premium Type 5 mixed @ 15.6 ppg, 1.18 yield
Surface	Type and Amount
TOC @ Surface	Lead: 615 sx Hi-Lift mixed @ 11 ppg, 3.91 yield Tail: 185 sx 10-2 RFC mixed @ 14.2 ppg, 1.63 yield
Production	Type and Amount
TOC @ 2,500 ^t	Lead: 523 sx Hi-Lift mixed @ 11.5 ppg, 3.05 yield Tail: 1429 sx 50:50 Poz mixed @ 14.1 ppg, 1.28 yield

- p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.



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DRILLING PROGRAM

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- 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
 - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
 - 1. Kelly cock
 - 2. No bit float is deemed necessary.
 - 3. A sub with a full opening valve.

5. MUD PROGRAM

a. The proposed circulating mediums to be employed in drilling are as follows:

Interval	Mud Type	Mud Wt.	Visc.	F/L	рН
0 - 200'	Fresh Water	8.33	1		7
200' - 3,645'	Fresh Water	8.33	1		7-8
3,645' - 13,400'	Fresh Water/DAP	9.0-11.5	30-40	12-20	8

There will be sufficient mud on location to control a blowout should one occur. A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

b. Mud monitoring equipment to be used is as follows:



CONFIDENTIAL - TIGHT HOLE

ONSHORE ORDER NO. 1
Gasco Production Company
Wilkin Ridge Federal #32-17-10-17
1978' FNL and 1972' FEL
SW NE Section 17, T10S - R17E
Duchesne County, Utah

Lease No. UTU-75082

DRILLING PROGRAM

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- 1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

6. EVALUATION PROGRAM

The anticipated type and amount of testing, logging and coring are as follows:

a. No drill stem tests are anticipated, however, if DST's are run, the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

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DRILLING PROGRAM
Page 8

- b. The logging program will consist of a Schlumberger Platform Express or equivalent to be run from TD to Base of Surface Casing.
- c. No cores are anticipated.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cutting, fluids, and/or gases0 will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program is as follows: Perform mulitstage fracs and complete all productive Mesaverde and Wasatch sands present in wellbore. Produce all zones together.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

7. ABNORMAL TEMPERATURES OR PRESSURES

- a. The expected bottom hole pressure is 8040 psi. The maximum bottom hole temperature anticipated is 241 degrees F.
- b. No hydrogen sulfide gas is anticipated. Abnormal pressures will be controlled with mud weight and 5000# BOP and rotating head.

8. ANTICIPATED STARTING DATES AND NOTIFICATION OF OPERATIONS

- a. Drilling is planned to commence upon approval of this application.
- b. It is anticipated that the drilling of this well will take approximately 35 days.
- c. The BLM in Vernal, Utah shall be notified of the anticipated date of location construction commencement and of anticipated spud date.



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DRILLING PROGRAM
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- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- e. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- g. <u>Immediate Report:</u> Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.



Lease No. UTU-75082

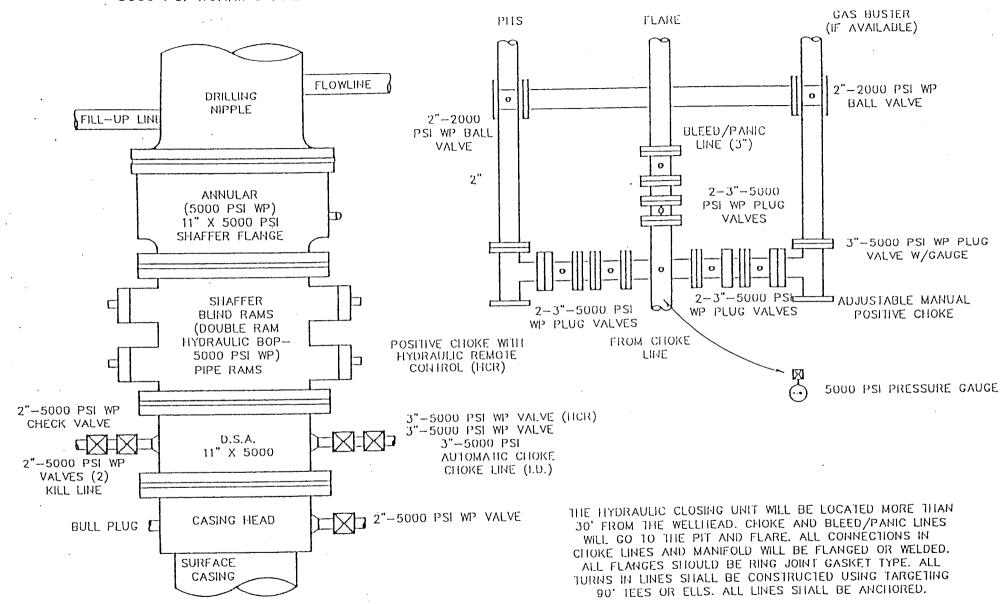
DRILLING PROGRAM

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- I. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
- o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

Bureau of Land Management 170 South 500 East Vernal, Utah 84078 Phone: 435/781-4400 After Hours:			
Matt Baker	Petroleum Engineer	435/828-4470	
Michael Lee	Petroleum Engineer	435/828-7875	





CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-75082

SURFACE USE PLAN

Page 1

ONSHORE OIL & GAS ORDER NO. 1 NOTIFICATION REQUIREMENTS

Location Construction -

Duchesne County, Utah

forty-eight (48) hours prior to construction of location and access roads.

Location Completion -

prior to moving on the drilling rig.

Spud Notice

Cementing

at least twenty-four (24) hours prior to spudding the well.

Casing String and

-

twenty-four (24) hours prior to running casing and

cementing all casing strings.

BOP and Related Equipment Tests

twenty-four (24) hours prior to initiating pressure tests.

First Production -

Notice

within five (5) business days after new well begins or

production resumes after well has been off production for more than

ninety (90) days.

The onsite inspection for the subject well site was conducted on Tuesday, October 4, 2005 at approximately 3:30 p.m. Weather conditions were cool, windy and overcast. In attendance at the onsite inspection were the following individuals:

Karl Wright

Natural Resource Specialist

Bureau of Land Management

Todd Megrath

Wildlife Biologist

SWCA

Venessa Langmacher

Permitting Agent

Permitco Inc.

Jesse Walton

Surveyor

Uintah Engineering and Land Surveying

Caleb Rounsaville

Field Supervisor

Gasco Production Company

1. EXISTING ROADS

a. The proposed well site is located approximately 23.4 miles south of Myton, Utah.



Lease No. UTU-75082

SURFACE USE PLAN

Page 2

b. Directions to the location from Myton, Utah are as follows:

Proceed in a southeasterly direction from Myton, Utah for approximately 12.7 miles to the Castle Peak Mine. Stay right and continue southerly for 6.6 miles to a fork in the road. Turn right and proceed southwesterly for 1.2 miles until reaching a second fork in the road. Turn right and proceed southwesterly 2.1 miles. Turn right onto the proposed new access and proceed westerly 0.8 miles until reaching the proposed location.

- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to existing main roads will not be required.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. PLANNED ACCESS ROADS

- a. There will be 0.8 miles of new access to be constructed.
- b. The maximum grade is approximately 5%.
- c. No turnouts are planned.
- d. No low water crossings or culverts will be necessary.
- e. The access road was centerline surveyed at the time of staking.
- f. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.
- g. No cattle guards will be necessary.



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SURFACE USE PLAN

Page 3

- h. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- i. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: <u>Surface Operating Standards for Oil and Gas Exploration and Development</u>, (1989).
- j. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- k. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- I. No federal right of ways will be necessary because all access is within the Wilkin Ridge Unit.
- m. A road and pipeline easement will be requested from SITLA for the portion of road/pipeline located in Section 16, T10S R17E.

3. LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS OF THE PROPOSED LOCATION. (See Map "C")

- a. Water wells none
- b. Injection wells none
- c. Producing wells two



ONSHORE ORDER NO. 1 **WNFIDENTIAL - TIGHT HOLE** Gasco Production Company Wilkin Ridge Federal #32-17-10-17 1978' FNL and 1972' FEL

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d. Drilling wells - none

SW NE Section 17, T10S - R17E

Duchesne County, Utah

- e. Shut-in wells - none
- f. Temporarily abandoned wells - none
- Disposal wells -none g.
- h. Abandoned wells - one
- i. Dry Holes - none

4. LOCATION OF TANK BATTERIES AND PRODUCTION FACILITIES.

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Carlsbad Canyon. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
- If production is established, a production facility diagram will be submitted via Sundry Ç. Notice.
- d. All loading lines will be placed inside the berm surrounding the tank battery.
- Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flow e. line will be buried or anchored down from the wellhead to the separator. Meter runs will be housed and/or fenced.
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter



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SURFACE USE PLAN

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calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.

- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.
- h. Any necessary pits will be properly fenced to prevent any wildlife entry.
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- I. The road will be maintained in a safe useable condition.
- m. Produced water will be stored in a 300 bbl heated, insulated tank, then hauled to a commercial disposal site such as Disposal Inc., or Brennan Bottom.
- n. Pipelines will follow the route shown on Map D. See Pipeline detail attached.

5. LOCATION AND TYPE OF WATER SUPPLY

- a. The proposed water source will be the Nebecker Water Station in Myton. The Water Use Claim # is 43-1721.
- b. Water will be hauled by Nebecker Water Service to the location over the access roads shown on Maps A and B.
- c. No water well will be drilled on this lease.



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6. SOURCE OF CONSTRUCTION MATERIAL

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.

7. METHODS OF HANDLING WASTE DISPOSAL

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.
- b. At the request of the BLM, the reserve pit will be lined with a 12 mil liner. If fractured rock is encountered, the pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- g. A chemical porta-toilet will be furnished with the drilling rig.



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h. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

8. **ANCILLARY FACILITIES**

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. WELL SITE LAYOUT

- a. The operator or his/her contractor shall contact the BLM Office at 435/781-4400 forty-eight (48) hours prior to construction activities.
- b. The reserve pit will be located on the northwest side of the location.
- c. The flare pit will be located on the east side of the reserve pit, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
- d. The stockpiled topsoil (first six inches) will be stored on the south side of the location, between Corners 9 and 2. Topsoil along the access route will be wind rowed on the uphill side.
- e. Access to the well pad will be from the east as shown on the Pit & Pad Layout.
- f. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- g. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.
- h. All pits will be fenced according to the following minimum standards:
 - 1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
 - 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.

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- 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.
- i. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

10. PLANS FOR RESTORATION OF SURFACE

Producing Location

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. If a plastic nylon reinforced liner is used it shall be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities or operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.
- e. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer. The following seed mixture has been requested by the Bureau of Land Management.



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Species	Pounds PLS/Acres
Indian Ricegrass	4
High Crested Wheatgrass	4
Needlegrass	4
Threadgrass	4
TOTAL	12

Seeding will be performed immediately after the location has been reclaimed and the pit has been backfilled, regardless of the time of year. Seed will be broadcast and walked in with a dozer.

f. The topsoil stockpile will be seeded as soon as the location has been constructed with the same recommended seed mix. The seed will be walked in with a cat.

Dry Hole

g. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.

Interim Surface Reclamation will be as follows:

- 1. Immediately after final well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production operations.
- 2. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in the reserve pit will be removed. Other waste and spoil materials will be disposed of immediately, weather permitting, upon final well completion.
- If a synthetic, nylon re-enforced, liner is used, the excess liner will be cut off and removed and the remaining liner will be torn and perforated while backfilling the reserve pit.

 Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled. The liner will be buried to a minimum of four (4) feet deep.



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- 4. The reserve pit will be reclaimed within 180 days from the date of final well completion, weather permitting.
- 5. The reserve pit and that portion of the location not needed for production and storage facilities, and everyday production operations, will be reshaped to the approximate original contours to the extent possible. This will be completed by backfilling and crowning the pit to prevent water from standing. Topsoil will be re-spread up to the rig anchor points, excluding the area needed for production and storage facilities and everyday production operations. Re-seeding, using appropriate reclamation methods, will occur immediately following the re-spreading of topsoil, weather permitting. The Authorized Officer will provide a seed mixture to re-vegetate the reserve pit and other unused disturbed areas at the time of the onsite.

11. SURFACE OWNERSHIP

Access Roads - The majority of the access roads are maintained by the County Road Department or the Bureau of Land Management.

Well pad - The well pad is located on lands managed by the BLM.

12. OTHER INFORMATION

- a. A Class III archeological survey will be conducted by Grand River Institute. A copy of this will be submitted to the appropriate agencies by Grand River Institute.
- b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
 - -whether the materials appear eligible for the National Register of Historic Places;
 - -the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and



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-a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- c. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- d. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.
- e. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- f. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- g. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.
- h. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.



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- i. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period. After permit termination, a new application will be filed for approval for any future operations.
- j. The operator or his contractor shall contact the BLM Offices at 435/781-4400 48 hours prior to construction activities.
- k. The BLM Office shall be notified upon site completion prior to moving on the drilling rig.

13. LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

Permit Matters Drilling & Completion Matters

 PERMITCO INC.
 Gasco Production Company

 14421 County Road 10
 8 Inverness Drive East, Suite 100

 Ft. Lupton, CO 80621
 Englewood, CO 80112

 303/857-9999 (O)
 John Longwell

 303/857-0577 (F)
 303/483-0044 (O)

 Lisa Smith
 303/ 483-0011(F)

Shawn Elworthy Roosevelt, UT (Cell) 435-823-4272

CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by GASCO Energy, Inc. and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

October 27, 2005

Date:

Venessa Langmacher - PERMITCO INC.

Authorized Agent for:

Gasco Production Company



PIPELINE INFORMATION Wilkin Ridge Federal #32-17-10-17

- 1. The type of pipeline is a single well flow line.
- 2. The outside diameter (O.D.) of all will be 8 inches maximum.
- 3. The anticipated production through the line is approximately 2000 MCF per day.
- 4. The anticipated maximum test pressure is 1000 psi.
- 5. The anticipated operating pressure is 100-200 psi.
- 6. The type of pipe is steel.
- 7. The method of coupling is welded.
- 8. The pipeline will be laid on surface because of the extremely rocky surface.
- 9. There are no other pipelines to be associated in same right of way.
- 10. There will be other objects to be associated in the same right of way. (Risers, Pig Launchers Pig Traps, meters and other appurtenances as required.)
- 11. The total length of pipeline is approximately 7900 feet (2100' State Land, 5800' BLM Land) see Map D.
- 12. The line will be laid on surface as shown on Map D. The pipeline will follow existing or proposed roads.
- 13. The construction width for total surface disturbing activities is 30 feet.
- 14. The estimated total acreage involving all surface disturbing activities is 5.4 acres.
- 15. Any surface disturbance created as a result of the pipeline construction will be reclaimed utilizing the reclamation procedures and seed mixture specified by the Bureau of Land Management.
- 16. The line will be tested with gas pressure to 1000 psi.



GASCO PRODUCTION COMPANY

WILKIN RIDGE FEDERAL #32-17-10-17 LOCATED IN DUCHES COUNTY, UTAH

SECTION 17, T10S, R17E, S.L.B.&M.

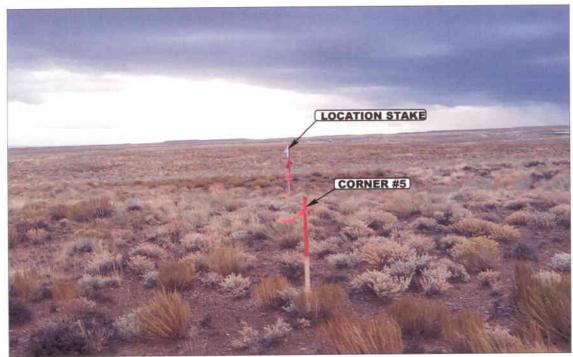


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY

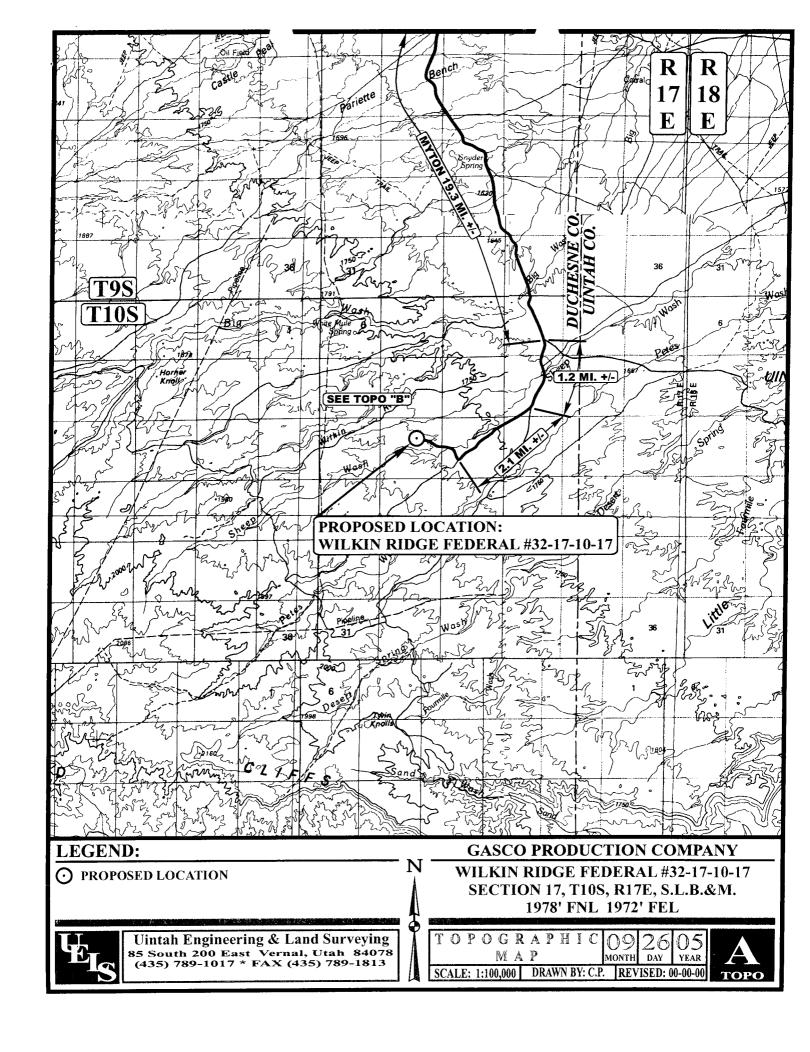


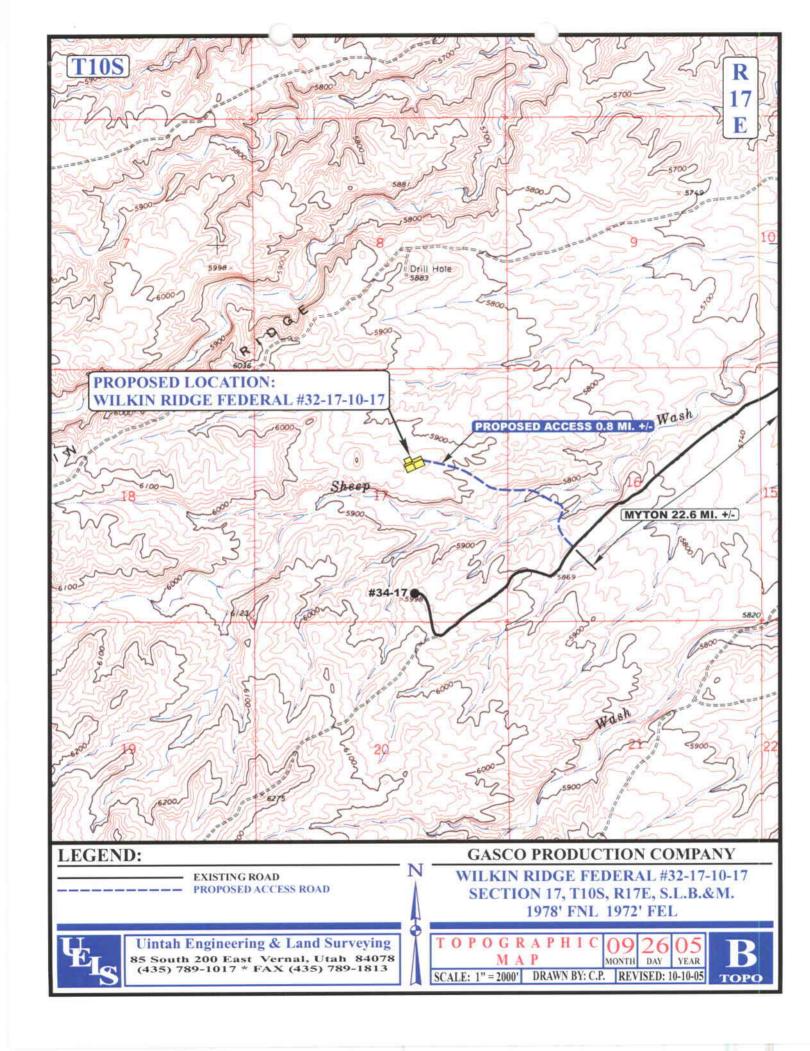
LOCATION PHOTOS

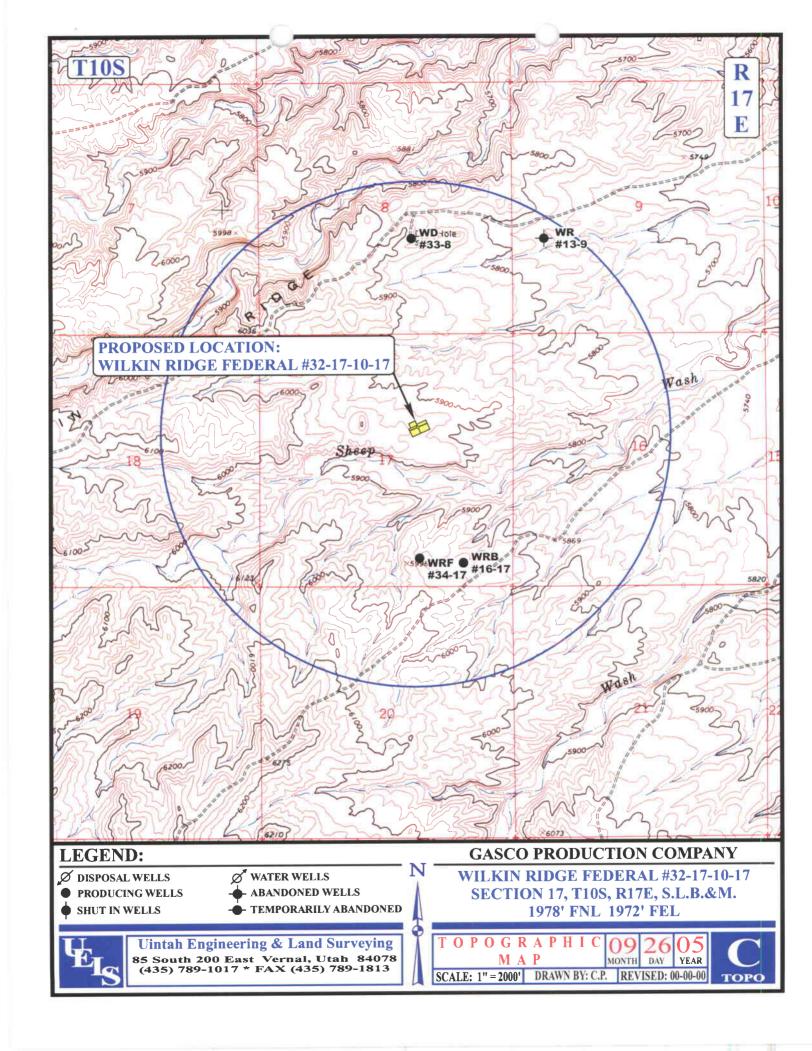
MONTH DAY YEAR

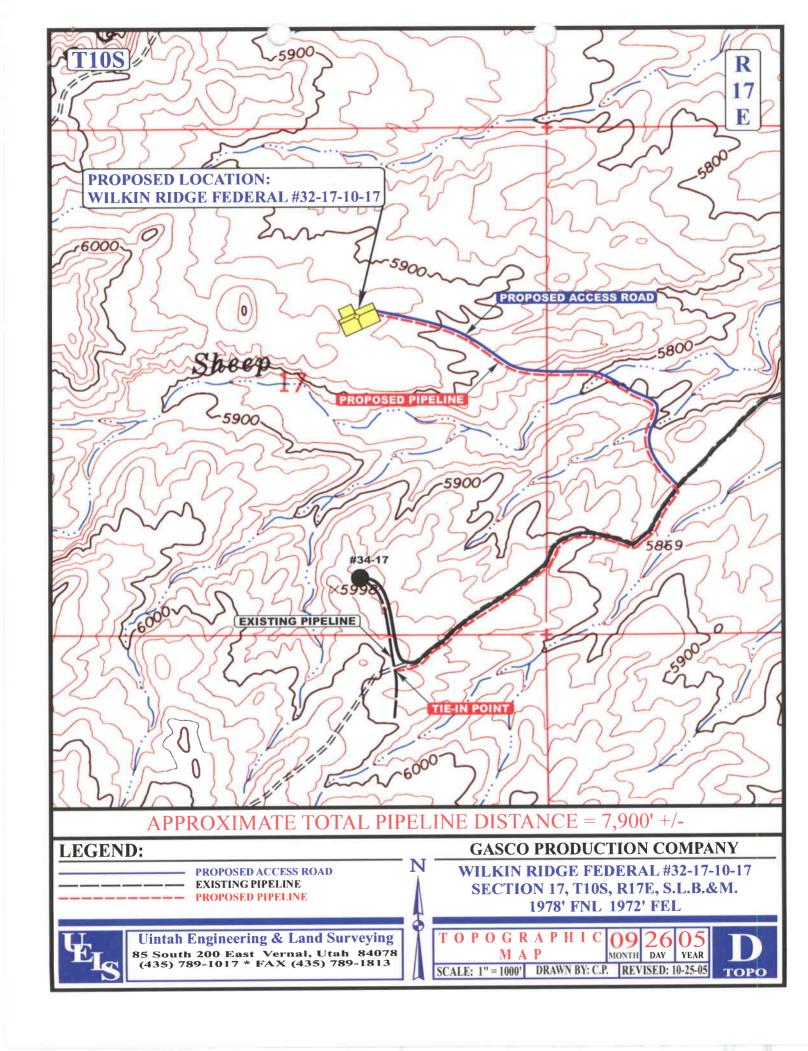
РНОТО

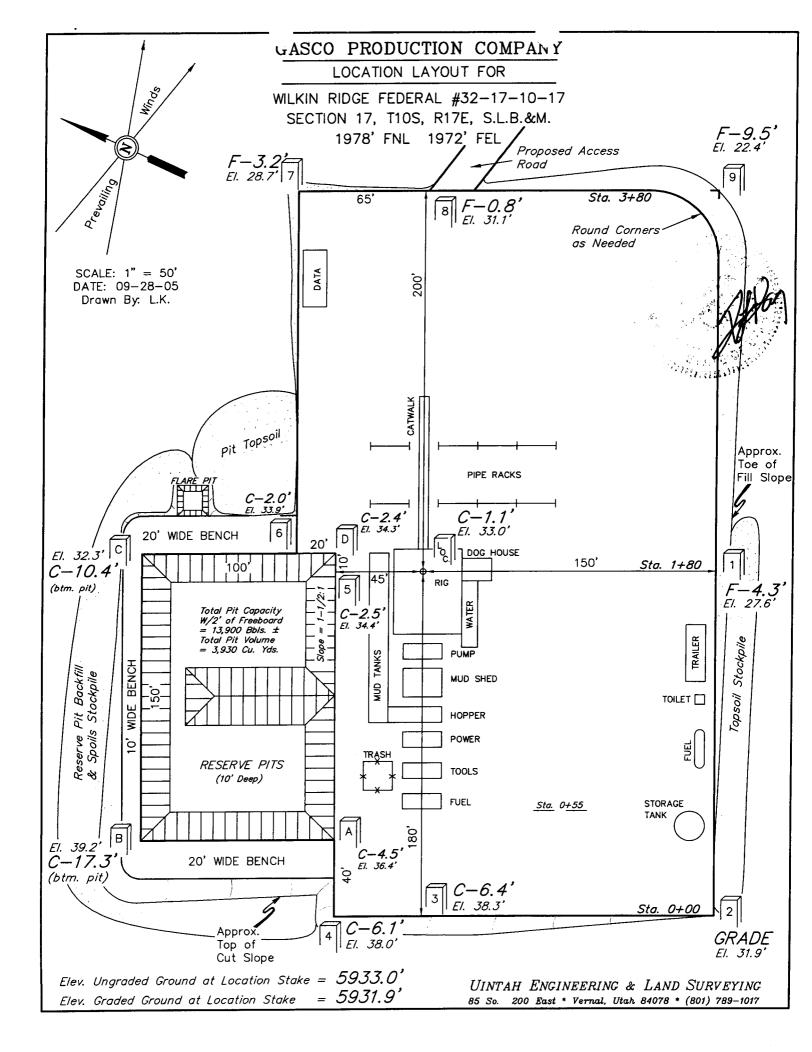
TAKEN BY: J.W. | DRAWN BY: C.P. | REVISED: 00-00-00

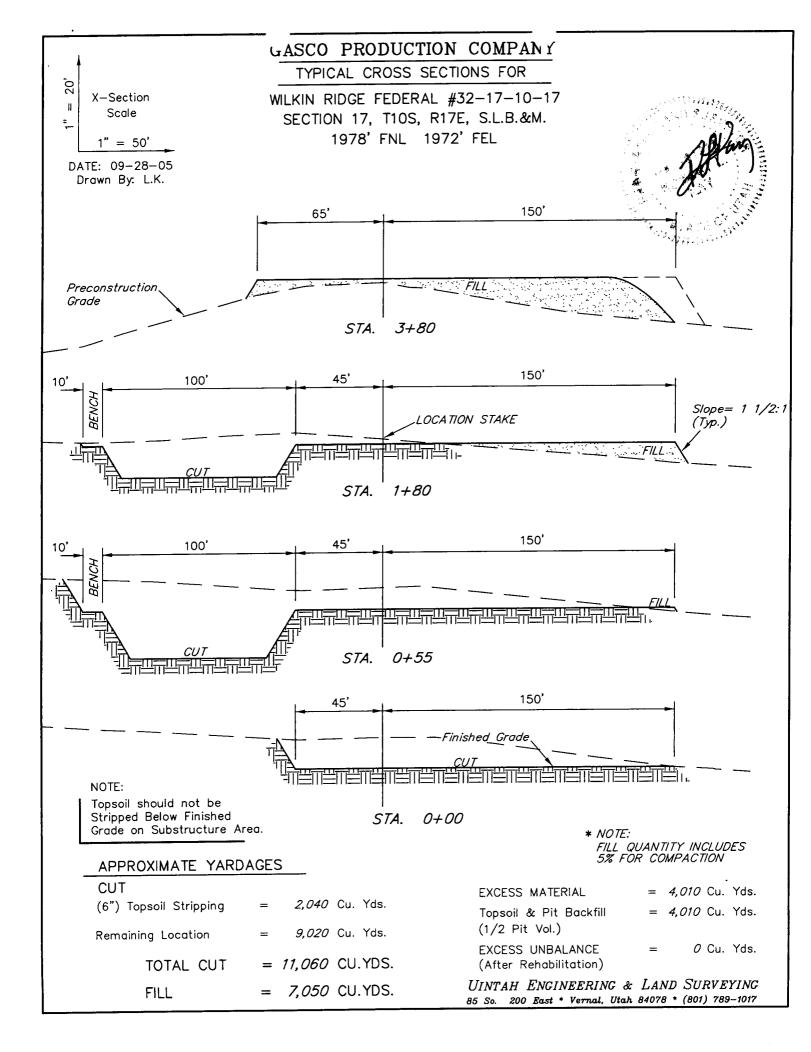












FEDERAL STIPULATIONS

Any wildlife stipulations that pertain to this lease will be attached as a Conditional of Approval by the Bureau of Land Management.



Archeology

A Class III Archeological Survey will be conducted by Grand River Institute. A copy of this report will be submitted directly to the appropriate agencies by Grand River Institute.





Bureau of Land Management Vernal Field Office 170 S. 500 E. Vernal, UT 84078

Attn: Minerals

All Wells Re:

Gentlemen:

This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Gasco Production Company, a wholly owned subsidiary of Gasco Energy, Inc. when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way applications, etc., for the above mentioned well.

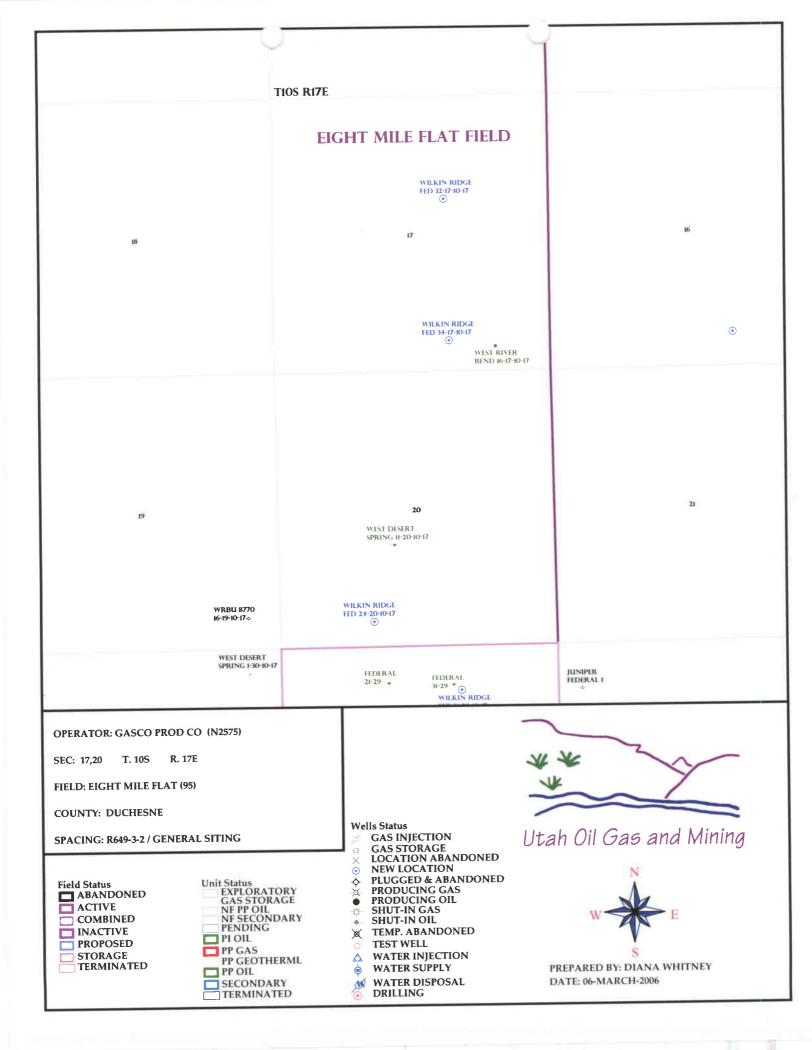
It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production or compliance with regulations.

Gasco Production Company agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above-mentioned well.

Land Manager

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/01/2006	API NO. ASSIGNED: 43-013-33079
WELL NAME: WILKIN RIDGE FED 32-17-10-17 OPERATOR: GASCO PRODUCTION (N2575 CONTACT: VENESSA LANGMACHER) PHONE NUMBER: 303-857-9999
PROPOSED LOCATION:	INSPECT LOCATN BY: / /
SWNE 17 100S 170E SURFACE: 1978 FNL 1972 FEL	Tech Review Initials Date
BOTTOM: 1978 FNL 1972 FEL	Engineering
COUNTY: DUCHESNE	Geology
LATITUDE: 39.94575 LONGITUDE: -110.0272 UTM SURF EASTINGS: 583104 NORTHINGS: 4421	979 Surface
FIELD NAME: EIGHT MILE FLAT (95 LEASE TYPE: 1 - Federal LEASE NUMBER: UTU-75082 SURFACE OWNER: 1 - Federal	PROPOSED FORMATION: BLKHK COALBED METHANE WELL? NO
RECEIVED AND/OR REVIEWED: Plat	LOCATION AND SITING: R649-2-3. R649-2-3.
✓ Bond: Fed[1] Ind[] Sta[] Fee[] (No. UT-1233	Unit: WILKIN RIDGE DEEP ## R649-3-2. General Siting: 460 From Qtr/Qtr & 920' Between Wells ## R649-3-3. Exception Drilling Unit Board Cause No: Eff Date: Siting: ## R649-3-11. Directional Drill
STIPULATIONS: 1-Jeden Ch	Pruvu





Department of **Natural Resources**

MICHAEL R. STYLER **Executive Director**

Division of Oil, Gas & Mining

> JOHN R. BAZA Division Director

JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

> > March 7, 2006

Gasco Production Company 8 Inverness Drive East, Suite #100 Englewood, CO 80112

Wilkin Ridge Federal 32-17-10-17 Well, 1978' FNL, 1972' FEL, SW NE, Re: Sec. 17, T. 10 South, R. 17 East, Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-33079.

Sincerely,

Gil Hunt

Associate Director

Sult f

pab Enclosures

Duchesne County Assessor cc:

Bureau of Land Management, Vernal District Office

Operator:	Gasco Production Company	
Well Name & Number	Wilkin Ridge Federal 32-17-10-17	
API Number:	43-013-33079	
Lease:	UTU-75082	

Location: SW NE Sec. 17 T. 10 South R. 17 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
- 5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

FORM 9

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL GAS AND MINING

DI'	VISION OF OIL, GAS AND MI	NING		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-75082
SUNDRY N	NOTICES AND REPORTS	S ON WEL	LS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
	wells, significantly deepen existing wells below cur als. Use APPLICATION FOR PERMIT TO DRILL (rrent bottom-hole dept form for such proposa	th, reenter plugged wells, or to	7. UNIT OF CA AGREEMENT NAME: NA
1. TYPE OF WELL OIL WELL	GAS WELL [OTHER_			8. WELL NAME and NUMBER: Wilkin Ridge Fed 32-17-10-17
NAME OF OPERATOR: Gasco Production Company ADDRESS OF OPERATOR:				9. API NUMBER: 4301333079
	Englewood STATE Co ZIP	80112	PHONE NUMBER: (303) 483-0044	10. FIELD AND POOL, OR WILDCAT: 8 Mile Flat
FOOTAGES AT SURFACE: 1978' FN	IL & 1972' FEL			COUNTY: Duchesne
QTR/QTR, SECTION, TOWNSHIP, RANGE,	MERIDIAN: SWNE 17 10S 1	7E		STATE: UTAH
11. CHECK APPRO	PRIATE BOXES TO INDICAT			RT, OR OTHER DATA
TYPE OF SUBMISSION	7		YPE OF ACTION	C PROFESSIONE OF SOME SOME SOME SOME SOME SOME SOME SOME
NOTICE OF INTENT (Submit in Duplicate)	ACIDIZE	DEEPEN		REPERFORATE CURRENT FORMATION
Approximate date work will start:	ALTER CASING	FRACTURE		SIDETRACK TO REPAIR WELL
Approximate date work will start.	CASING REPAIR	NEW CONS		TEMPORARILY ABANDON
	CHANGE TO PREVIOUS PLANS	OPERATOR		TUBING REPAIR
SUBSEQUENT REPORT	CHANGE TUBING	PLUG AND		VENT OR FLARE
(Submit Original Form Only)	CHANGE WELL NAME	PLUG BACK		WATER DISPOSAL
Date of work completion:	CHANGE WELL STATUS	=	ON (START/RESUME)	WATER SHUT-OFF
\[\begin{align*} \text{\left} \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\	COMMINGLE PRODUCING FORMATIONS		ION OF WELL SITE	OTHER: Extend Permit
12. DESCRIBE PROPOSED OR COMP	CONVERT WELL TYPE PLETED OPERATIONS. Clearly show all p		TE - DIFFERENT FORMATION	se otr
	would like to request a one ye			
	Approved by the Utah Division of Oil, Gas and Minir			
	977A-	-88		
	Date: 02-20	MAA		COPY SENT TO OPERATOR
				_
	By:	400		Date: 2-21-2008
	1	1		Initials: <u>V-5</u>
NAME (PLEASE PRINT) Beverly Wall	ker	TITL	Engineering Tech	<u> </u>
The last	106100		<u> </u>	· .
SIGNATURE LULLING	LU/KL	DATI	E 2/15/2008	
(This space for State use only)				RECEIVED
				FEB 1 9 2008

Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

		S-R17E Duchesne County, Ut: Gasco production Company	
above, hereby	verifies that the	n legal rights to drill on t information as submitte mains valid and does n	
Following is a verified.	checklist of some	e items related to the ap	pplication, which should be
	rivate land, has t en updated? Yes	he ownership changed, s⊟No⊠	if so, has the surface
		the vicinity of the proposents for this location? Ye	sed well which would affect s ☐ No ☑
		er agreements put in pla proposed well? Yes⊡No	ace that could affect the o☑
		to the access route inclooroposed location? Yes	uding ownership, or right- □ No ☑
Has the appro	ved source of wa	ater for drilling changed	? Yes□No☑
	iire a change in p	changes to the surface lolans from what was dis	location or access route cussed at the onsite
Is bonding still	in place, which o	covers this proposed we	ell? Yes⊠No⊟
Dubely	le le le le		2/15/2008
Signature /			Date
Title: Engineer	ing Technician		
Representing:	Gasco Production	Company	
			DECENTE

RECEIVED FEB 1 9 2008

Form 3160-3 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB No. 1004-0136

Expires November 30, 2000

Lease	Serial No.
1	
	75000

, BUREAU OF LAND	MANAGEMEN 1		1010-75002	
APPLICATION FOR PERMIT	TO DOLL OD DEDRIYER		6. If Indian, Allottee or T	ribe Name
APPLICATION FOR PERWIT	IO DRILL OR REDNAME		N/A	
1a. Type of Work: X DRILL	REENTER		7. If Unit or CA Agreem	ent, Name and No.
	•		Wilkin Ridge	
			8. Lease Name and Well	No.
b. Type of Well: Oil Well 👿 Gas Well O	ther Single Zone	Multiple Zone	Wilkin Ridge Fed	eral #32-17-10-17
2. Name of Operator 303-483-0044	8 Inverness Drive East,	Suite #100	9. API Well No.	
Gasco Production Company	Englewood, CO 80112		43-013-3	
3. Name of Agent 303-857-9999	14421 County Road 1		10. Field and Pool, or Ex	ploratory
Permitco Inc Agent	Fort Lupton, CO 8062	21	Wilkin Ridge	
4. Location of Well (Report location clearly and in accordan	· ·		11. Sec., T., R., M., or B	
At surface 1978' FNL and 197	'2' FEL		Section 17, T109	j-R17E
At proposed prod. zone SW NE				
14. Distance in miles and direction from nearest town or pos-			12. County or Parish	13. State
Approximately 23.4 miles southeast of Myto			Duchesne	UT
15. Distance from proposed* location to nearest	16. No. of Acres in lease	17. Spacing Unit	dedicated to this well	
property or lease line, ft. (Also to nearest drig. unit line, if any)	1276.52		40 Acres: SW NE	
18 Dictance from managed location*	10 Drow and Doubh	20. BLM/BIA Bo	nd No on file	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2700'	19. Proposed Depth	20. BLIVI/BIA BO	nd No. on the	
applied for, on this lease, ft. 2700'	13,400'		Bond No. UT-1233	
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date wor	L k will start*	23. Estimated duration	
5933' GL	ASA		35 Da	ve
0000 42	24. Attachments	.	00 54	,
		3 3 31 1 2 2 2 1 1 2	- 41 to Co	
The following, completed in accordance with the requirement	is of Unshore U11 and Gas Order No	. 1, shall be attached t	o this form:	
Well plat certified by a registered surveyor.	l 4 Dandto	acres the amountions	unless covered by an existin	a hand on file (see
Wen plat certified by a registered surveyor. A Drilling Plan.	4. Bond to	-	unless covered by an existing	g bond on the (see
 A Surface Use Plan (if the location is on National Forest S 	·	certification.		
SUPO shall be filed with the appropriate Forest Service O	·		ation and/or plans as may be	required by the
	authorize	-	ation and/or plans as may be	required by the
CONFIDENTIAL-TIGHT HOLE	authorize	d office.		
25 Signature	Name (Printed/Type	ed)	Dat	e
Venessa Kanemackes	į V	enessa Langmad	her	10/27/2005
Title				
Authorized Agent for Gasco Production Cor				
Approved by (Signature)	Name (Printed/Type	·//	Dat	SEC 01 200
My Genefic		Kevieks	<u> </u>	<u> </u>
Title Assistant Field Manager	Office VEDA	IAL FIELD O		
Lánds & Mineral Resources		er versely er er er er er er	,	
Application approval does not warrant or certify that the app				
conduct operations thereon.	DITIONS OI	FAPPF	OVAL AT	TACHE
Conditions of approved if any are attached	The state of the s		TO THE WAR AND AND THE PERSON AND AND AND AND AND AND AND AND AND AN	The second of th

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

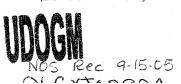
Conditions of approval, if any, are attached.

RECEIVED

DEC 0 8 2008

NOTICE OF APPROVAL

DIV. OF OIL, GAS & MINING





UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Gasco Production Company Location: SWNE, Sec. 17, T10S, R17E Well No: Wilkin Ridge Federal 32-17-10-17 Lease No: UTU-75082 API No: 43-013-33079 Agreement: Wilkin Ridge Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	(435) 828-3546
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	(435) 828-4029
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	(435) 828-7381
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
NRS/Enviro Scientist:	David Gordon	(435) 781-4424	

Fax: (435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- Surface Conditions of Approval or monitoring are listed in the Surface Use Plan of the APDs.
- The operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. On BLM administered land, it is required that a Pesticide Use Proposal be submitted, approved and a permit issued prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- A timing restriction on construction and drilling (including completion) from March 1 June 30, is in order to protect sage grouse lek nesting habitat.
- A timing restriction on construction and drilling (including completion) from February 1 July 15, is in order to protect Golden Eagle nesting.
- If it is anticipated that construction or drilling would occur during the given timing restrictions for sage grouse or golden eagle a BLM or qualified biologist shall be notified so surveys can be conducted. Depending upon the results of the survey, permission to proceed may or may not be recommended or granted (depending on the species being surveyed and the condition of the habitat).
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee will submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the Best Management Practice of the reshaping of the pad to the original contour to the extent possible; the re-spreading of the top soil up to the rig anchor points; and, reseeding the area using appropriate reclamation methods.

The interim seed mix for reclamation will be:

Hy-crest Crested Wheatgrass	Agropyron cristatum	4 lbs per acre
Indian Rice Grass	Oryzopsis hymenoides	4 lbs per acre
Needle and Threadgrass	Stipa comata	4 lbs per acre

Following well plugging and abandonment, the location, access roads, pipelines, and other
facilities shall be reclaimed. All disturbed surfaces shall be reshaped to approximate the original
contour; the top soil re-spread over the surface; and, the surface re-vegetated. The surface of
approved staging areas where construction activities did not occur may require disking or
ripping and reseeding.

Page 3 of 6 Well: Wilkin Ridge Federal 32-17-10-17

12/2/2008

DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

None.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the
 daily drilling report. Components shall be operated and tested as required by Onshore Oil &
 Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be
 performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be
 reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water
 is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM
 Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person

Well: Wilkin Ridge Federal 32-17-10-17

12/2/2008

making the report (along with a telephone number) should the BLM need to obtain additional information.

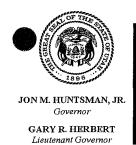
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM,
 Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum
 Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - o Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field
 Office Petroleum Engineers will be provided with a date and time for the initial meter calibration
 and all future meter proving schedules. A copy of the meter calibration reports shall be
 submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API
 standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All
 measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted
 to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs
 first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be
 adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively
 sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering
 lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of
 a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval
 may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
 equipment shall be removed from a well to be placed in a suspended status without prior
 approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30
 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given
 before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 4, 2009

Gasco Production Company 8 Inverness Dr. East, Ste. 100 Englewood, CO 80112

Re: APD Rescinded – Wilkin Ridge Fed 32-17-10-17, Sec. 17 T. 10S, R. 17E

Duchesne County, Utah API No. 43-013-33079

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on March 7, 2006. On February 26, 2007 and on February 20, 2008 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 4, 2009.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Environmental Scientist

cc: Well File

Bureau of Land Management, Vernal



	STATE OF UTAH		FORM 9
	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-75082
SUNDRY NOTICES AND REPORTS ON WELLS		ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	sals to drill new wells, significantly deepen Igged wells, or to drill horizontal laterals. U		7.UNIT OF CA AGREEMENT NAME: WILKIN RIDGE DEEP
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: WILKIN RIDGE FED 32-17-10-17
2. NAME OF OPERATOR: GASCO PRODUCTION COMPAI	NY		9. API NUMBER: 43013330790000
3. ADDRESS OF OPERATOR: 8 Inverness Dr. East, Suite 10		NE NUMBER: 303 483-0044 Ext	9. FIELD and POOL or WILDCAT: EIGHT MILE FLAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1978 FNL 1972 FEL			COUNTY: DUCHESNE
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWNE Section: 17	IP, RANGE, MERIDIAN: Township: 10.0S Range: 17.0E Meridian: S	5	STATE: UTAH
11. CHE	CK APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPORT,	OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
Gasco would like to state approved con Range 4 west in Nor	□ CHANGE TO PREVIOUS PLANS □ CHANGE WELL STATUS □ DEEPEN □ OPERATOR CHANGE □ PRODUCTION START OR RESUME □ REPERFORATE CURRENT FORMATION □ TUBING REPAIR □ WATER SHUTOFF □ WILDCAT WELL DETERMINATION OMPLETED OPERATIONS. Clearly show all performercial disposal facility located the Blue Bench UT. This facility oproved disposal facilities that water from this well.	Water management, LLC ed in Section 30, 2 south would be used in addition Gasco uses to dispose of	Accepted by the
NAME (PLEASE PRINT) Roger Knight	PHONE NUMBER 303 996-1803	TITLE EHS Supervisor	
SIGNATURE N/A	555 555 2565	DATE 12/29/2010	

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED OMB NO. 1004-0135 010

E	xpires:	July	31,	20
ease Serial	No.			

	NOTICES AND REPOR	KIO OIA WILLES	UTU75082	
abandoned we	is form for proposals to ell. Use form 3160-3 (APL	D) for such proposals.	6. If Indian, Allottee	or Tribe Name
SUBMIT IN TRI	IPLICATE - Other instruc	tions on reverse side.	7. If Unit or CA/Agr UTU81153X	eement, Name and/or No.
1. Type of Well			8. Well Name and No	
Oil Well Gas Well Ot		BAARB IAIIAI II		FEDERAL 32-17-10-17
Name of Operator GASCO PRODUCTION COM	Contact: IPANY E-Mail: rknight@ga	ROGER KNIGHT	9. API Well No. 43-013-33079-	00-X1
3a. Address 8 INVERNESS DRIVE EAST, ENGLEWOOD, CO 80112-5	SUITE 100 625	3b. Phone No. (include area code Ph: 303.483.0044	e) 10. Field and Pool, o WILKIN RIDGE	r Exploratory =
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description)	11. County or Parish	, and State
Sec 17 T10S R17E SWNE 19	78FNL 1972FEL		UINTAH COUN	NTY, UT
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE NATURE OF	NOTICE, REPORT, OR OTHE	ER DATA
TYPE OF SUBMISSION	·	TYPE O	F ACTION	- <u> </u>
Notice of Intent	_ Acidize	Deepen	Production (Start/Resume)	☐ Water Shut-Off
_	Alter Casing	☐ Fracture Treat	Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	■ New Construction	□ Recomplete	Other
Final Abandonment Notice	☐ Change Plans	Plug and Abandon	☐ Temporarily Abandon	Change to Original PD
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	
following completion of the involved	ally or recomplete horizontally, g rk will be performed or provide t l operations. If the operation rest pandonment Notices shall be file	give subsurface locations and meas the Bond No. on file with BLM/BL ults in a multiple completion or rec	ured and true vertical depths of all perti A. Required subsequent reports shall be completion in a new interval, a Form 31 ding reclamation, have been completed	inent markers and zones. e filed within 30 days
Gasco request a two year extended APD will expire	ension to the currently app on 12/02/2012.	roved Wilkin Ridge Federal	32-17-10-17 APD. VERNAL FIELD	OFFICE
		RECEIVE		AN I DE
		MAR 1 4 20	11 GEOL.	Lappain: NetWorks representations.
		DIV. OF OIL, GAS & N	AINING E.S.	A CONTRACT C
		•	PET	
ONDITIONS OF	APPROVAL	ATTACUEN		
		ALIAUNEU	RECL	
14. I hereby certify that the foregoing is		8779 verified by the BLM Wel	I Information System	
Comr	For GASCO PRO	DUCTION COMPANY, sent to sing by ROBIN R. HANSEN or	o the Vernal	
Name (Printed/Typed) ROGER K		Title	1 12/00/2010 (11RRH04/15E)	
Signature (Electronic S	ubmission)	Date 12/08/2	010	
	THIS SPACE FOI	R FEDERAL OR STATE	OFFICE USE	
Approved By		Title	sistant Field Manager	2/7/2011 Date

Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Lands & Mineral Resources

VERNAL FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Office

CONDITIONS OF APPROVAL

Gasco Production Company

Notice of Intent APD Extension

Lease:

UTU-75082

Well:

Wilkin Ridge Fed 32-17-10-17

Location:

SWNE Sec 17-T10S-R17E

Ân extension for the referenced APD is granted with the following conditions:

- 1. The extension and APD shall expire on 12/1/12.
- 2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Carey Doyle of this office at (435) 781-3406

TED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECOVED

FORM APPROVED

OMB NO. 1004-0135 Expires: July 31, 2010

SLINDBY NOTICES AND DEDORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.					6. If Indian, Allottee or Tribe Name	
1. Type of Well					8. Well Name and No. WILKIN RIDGE FEDERAL 32-17-10-17	
Oil Well Sa Gas Well Other 2. Name of Operator Contact: ROGER KNIGHT					9. API Well No.	EDERAL 32-17-10-17
GASCO PRODUCTION COM	m 		43-013-33079-00-X1			
3a. Address 8 INVERNESS DRIVE EAST, ENGLEWOOD, CO 80112-5	o. (include area code 33.0044	10. Field and Pool, or Exploratory WILKIN RIDGE				
4. Location of Well (Footage, Sec., 7			11. County or Parish, and State			
Sec 17 T10S R17E SWNE 19			UINTAH COUNTY, UT			
12. CHECK APP	ROPRIATE BOX(ES) TO	O INDICATE	NATURE OF	NOTICE, R	<u>I</u> EPORT, OR OTHEI	R DATA
TYPE OF SUBMISSION TYPE OF ACTION						
— Notice of Intent	□ Acidize □		pen	Product	tion (Start/Resume)	Water Shut-Off
Notice of Intent	Alter Casing	ter Casing Fracture Treat Reclamation		ation	☐ Well Integrity	
☐ Subsequent Report	Casing Repair	□ Nev	■ New Construction		olete	Other Change to Original
Final Abandonment Notice	Change Plans	□ Plug	g and Abandon	□ Tempor	Temporarily Abandon PD Change	
İ	Convert to Injection	Injection Plug Back Water		□ Water I	Disposal	
Attach the Bond under which the wo following completion of the involved testing has been completed. Final At determined that the site is ready for f Gasco request a two year externed the extended APD will expire	operations. If the operation resonandonment Notices shall be fil- inal inspection.)	sults in a multipled only after all	e completion or rec requirements, include	ompletion in a ding reclamatio	new interval, a Form 316 n, have been completed,	0-4 shall be filed once and the operator has
		Í	RECEIVE	D	ENG.CD)	1 4 4 A
			MAR 1 4 20	11 ,	GEOL.	
DIV. OF OIL, GAS & MINING				IINING	E.S	
ONDITIONS OF APPROVAL ATTACHED					PET	
OIADITIONS OF	APPROVAL	. ATTA	CHED		RECL	
14. Thereby certify that the foregoing is	Electronic Submission #	ODUCTION C	DMPANY, sent to	the Vernal	_	
Name (Printed/Typed) ROGER KNIGHT			Title	(,	
Signature (Electronic S		_	Date 12/08/2			
	THIS SPACE FO	R FEDERA	L OR STATE	OFFICE US	5E	
Approved By Jung			111110	sistant Field s & Mineral	_	2/7/2011 Date
conditions of apply Al, if any are attached ertify that the applicant holds legal or equal high would entitle the applicant to condu-	itable title to those rights in the	not warrant or subject lease	Office	VERNAL	FIELD OFFICE	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



CONDITIONS OF APPROVAL

Gasco Production Company

Notice of Intent APD Extension

Lease:

UTU-75082

Well:

Wilkin Ridge Fed 32-17-10-17

Location:

SWNE Sec 17-T10S-R17E

An extension for the referenced APD is granted with the following conditions:

1. The extension and APD shall expire on 12/1/12.

2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Carey Doyle of this office at (435) 781-3406